Montana Board of Oil and Gas Conservation Environmental Assessment

Operator: Primary Petroleum Corporation
Well Name/Number: Dupuyer Ridge 16-35-28-8
Location: SE SE Section 35T28N R8W
County: Pondera , MT; Field (or Wildcat) Wildcat
Air Quality
(possible concerns)
Long drilling time: No, 15 to 20 days drilling time.
Unusually deep drilling (high horsepower rig): No, triple derrick drilling rig to drill to
5,900' TD Duperow Formation .
Possible H2S gas production: Yes possible H2S gas production.
In/near Class I air quality area: Yes Class I air quality area 8.6 miles to the west
southwest, Lewis and Clark National Forest boundary and Blackfeet Indian Reservation
boundary, about 13 miles north from this location. Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required
under rule 75-2-211.
Mitigation:
_X Air quality permit (AQB review)
Gas plants/pipelines available for sour gas
Special equipment/procedures requirements
Other:
Comments: No special concerns – using triple derrick drilling rig to drill to 5900'
<u>TD.</u>
Water Quality
(possible concerns)
Salt/oil based mud: No, freshwater and freshwater mud system. Mainhole drilled with
freshwater/mud system.
High water table: No high water table anticipated.
Surface drainage leads to live water: No, closest drainage is an unnamed ephemeral
tributary drainage to the Middle Fork Dry Fork Marais River, about 1/32 of a mile to the
southwest from this location.
Water well contamination: None, closest water wells are 1 mile and further from this
location. This well will drill surface hole with freshwater, set 750' of steel surface casing
and cement to surface.
Porous/permeable soils: No, sandy bentonitic soils.
Class I stream drainage: None
Mitigation: Lined reserve pit
Linea reserve pit
X Adequate surface casing
X Adequate surface casing Berms/dykes_re-routed drainage
Berms/dykes, re-routed drainage
 Berms/dykes, re-routed drainage Closed mud system Off-site disposal of solids/liquids (in approved facility) Other:
 Berms/dykes, re-routed drainage Closed mud system Off-site disposal of solids/liquids (in approved facility)

Soils/Vegetation/Land Use

(possible concerns)

Steam crossings: Yes will cross Middle Fork Dry Fork Marias River and an unnamed ephemeral drainage to reach this location.

High erosion potential: No, moderate cut, up to 13.8' and moderate fill, up to 10.0', required.

Loss of soil productivity: <u>No, location will be restored after drilling, if nonproductive</u>. <u>If</u> productive unused portion of drillsite will be reclaimed.

Unusually large wellsite: No, 350'X350' location size required.

Damage to improvements: Slight, appears to be grass grazing land.

Conflict with existing land use/values <u>Slight</u>

Mitigation	١
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- ___ Avoid improvements (topographic tolerance)
- Exception location requested
- X Stockpile topsoil
- __ Stream Crossing Permit (other agency review)
- X Reclaim unused part of wellsite if productive
- __ Special construction methods to enhance reclamation
 - Other

Comments: Access will be over existing county road, West Gypsy Basin Road and existing two track ranch road. Will build about 1 mile of new access road into this location. Cuttings will be stockpiled on location, when dry cuttings will be spread across location. Drilling fluids will be recycled to the next drilling location. No pit will be utilized. No special concerns.

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: <u>Nearest residences</u>, <u>none with a 1 mile radius from this location</u>. The town of Dupuyer, <u>Montana is 6 miles to the northeast from this location</u>.

Possibility of H2S: Yes H2S possible.

Size of rig/length of drilling time: Small drilling rig/short 15 to 20 days drilling time.

Mitigation:

- X Proper BOP equipment
- __ Topographic sound barriers
- H2S contingency and/or evacuation plan
- Special equipment/procedures requirements
- Other:

Comments: BOP stack is 5,000 psi double ram with a 5,000 psi Annular on top of the double ram. Distance is sufficient to not be a problem with noise.

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified): <u>Lewis and Clark National Forest boundary is about 8.6 miles to the west southwest and about 14 miles west to the wilderness boundary (Bob Marshal).</u>

Proximity to recreation sites: About 13 miles to the west northwest is Swift Reservoir, 8.2 miles to the southwest is the Blackleaf State Wildlife Management Area boundary and 8.6 miles to the west is the Lewis & Clark National Forest boundary.

Creation of new access to wildlife habitat: No Conflict with game range/refuge management: No Threatened or endangered Species: Threatened or endangered Species listed on USFWS website for counties in Montana lists the following: Piping Plover, Grizzly Bear and Canada Lynx. Candidate species listed are the Sprague's Pipit, Wolverine and the White bark pine. NH Tracker website lists the following as species of concern two (2) Golden Eagle and the Veery. Mitigation: Avoidance (topographic tolerance/exception) Other agency review (DFWP, federal agencies, DSL) Screening/fencing of pits, drillsite Other: Comments: Private grass grazing surface lands. There maybe species of concern that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to what he would like done, if a species of concern is discovered at this location. The Board of Oil & Gas has no jurisdiction over private surface lands.
Historical/Cultural/Paleontological
(possible concerns) Proximity to known sitesNone identified Mitigation avoidance (topographic tolerance, location exception) other agency review (SHPO, DSL, federal agencies) Other: Comments:Private grass grazing surface lands. There maybe possible historical/cultural/paleontological sites that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to his desires to preserve these sites or not, if they are found during construction of the wellsite. The Board of Oil & Gas has no jurisdiction over private surface lands.
Social/Economic
(possible concerns) Substantial effect on tax base Create demand for new governmental services Population increase or relocation Comments: Wildcat well, until production is established no social/economic concerns can be evaluated. No concerns
Remarks or Special Concerns for this site

Summary: Evaluation of Impacts and Cumulative effects

Well is a 5900' TD Duperow Formation test.

No long term impacts expected. Some short term impacts will occur, but can be mitigated in a short time.

I conclude that the approval of the subject Notice of Intent to Drill (does/<u>does not</u>) constitute a major action of state government significantly affecting the quality of the human environment, and (does/<u>does not</u>) require the preparation of an environmental impact statement.

Prepared by (BOGC): /s/Steven Sasaki
(title:) Chief Field Inspector
Date: November 4, 2011
Other Persons Contacted:
Montana Bureau of Mines and Geology, GWIC website
(Name and Agency)
Pondera County water wells.
(subject discussed)
_November 4, 2011(date)
US Fish and Wildlife, Region 6 website
(Name and Agency)
ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES
MONTANA COUNTIES, Pondera County
(subject discussed)
November 4, 2011
(date)
Montana Natural Heritage Program Website (FWP)
(Name and Agency)
Heritage State Rank= S1, S2, S3, T28N R8W
(subject discussed)
November 4, 2011
(date)
If location was inspected before permit approval:
Inspection date:
Inspector:
Others present during inspection: